

**CITY OF BISMARCK
EMPLOYEES PENSION FUND
State Investment Board
Balance Sheet
As of 9/30/2008**

	As of <u>9-30-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 13,555,525	\$ 14,931,773
INTERNATIONAL EQUITIES	4,617,395	5,751,631
DOMESTIC FIXED INCOME	18,039,965	18,366,334
INTERNATIONAL FIXED INCOME	4,490,100	4,731,544
REAL ESTATE	5,019,041	5,375,053
ALTERNATIVE INVESTMENTS	289,729	303,817
INVESTED CASH (NOTE 1)	<u>306,225</u>	<u>177,709</u>
 TOTAL INVESTMENTS	 46,317,980	 49,637,861
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>81,356</u>	<u>82,703</u>
 TOTAL RECEIVABLES	 81,356	 82,703
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	520,613	917,267
 TOTAL ASSETS	 <u>\$ 46,919,949</u>	 <u>\$ 50,637,831</u>
 LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	520,613	917,267
INVESTMENT EXPENSE PAYABLE	<u>67,602</u>	<u>67,832</u>
 TOTAL LIABILITIES	 588,215	 985,099
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	49,652,732	51,545,555
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(3,320,998)</u>	<u>(1,892,823)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>46,331,734</u>	 <u>49,652,732</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 46,919,949</u>	 <u>\$ 50,637,831</u>

**CITY OF BISMARCK
EMPLOYEES PENSION FUND
State Investment Board
Profit and Loss Statement
For the Month Ended 9/30/2008**

	Month Ended <u>9-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 97,196	\$ 305,762
SECURITIES LENDING INCOME	<u>1,677</u>	<u>5,437</u>
	98,873	311,199
 GAIN ON SALE OF INVESTMENTS	 467,997	 1,120,003
LOSS ON SALE OF INVESTMENTS	<u>555,774</u>	<u>1,093,355</u>
 NET GAINS (LOSSES) INVESTMENTS	 (87,777)	 26,648
 INVESTMENT EXPENSES	 5,440	 57,855
SECURITIES LENDING EXPENSES	1,398	4,310
 NET INVESTMENT INCOME	 4,258	 275,682
 NET APPREC (DEPREC) MARKET VALUE	 (2,914,848)	 (3,624,509)
MISCELLANEOUS INCOME/(EXPENSE)	<u>22,732</u>	<u>27,829</u>
 TOTAL INVESTMENT INCOME	 <u>(2,887,858)</u>	 <u>(3,320,998)</u>
 NET INCREASE (DECREASE)	 <u>\$ (2,887,858)</u>	 <u>\$ (3,320,998)</u>

**CITY OF BISMARCK
EMPLOYEES PENSION FUND
Notes To Financial Statements
September 30, 2008**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.